

**July 25, 2006**

**SUBJECT:** Award of Contract for Carpet Tiles to Replace the Existing Carpet at Public Safety Headquarters (F0505-86) and Approval of Budget Modification No. 4

**REPORT IN BRIEF**

Approval is requested for the award of a contract to Shaw Industries, Inc., of Dalton, Georgia, for approximately 3,000 square feet of carpet tiles to replace the existing carpeting at Public Safety Headquarters. (The requested contract does not include installation which will be purchased through a separate procurement process.) Approval is also requested for Budget Modification No. 4 for a funding carryover from FY 2005/2006 to FY 2006/2007.

**BACKGROUND**

The existing carpet at Public Safety Headquarters was installed nine years ago and was on the Facilities Management Division's replacement schedule for FY 2005/2006. Because operations at the Department of Public Safety (DPS) run 24 hours per day, 7 days a week, wear and tear on the facility occurs at an accelerated rate. Portions of the existing carpet are threadbare and/or have taped seams; other sections were so worn they have been patched with new carpet.

**DISCUSSION**

The City's Environmental Procurement Policy requires the purchase of environmentally preferable products, whenever they are available at a reasonable price. Carpet manufacturers, including Shaw Industries, are leaders in the production of quality products from recycled materials.

One such product, "Duchene II" from Shaw Industries, has been selected by Facilities Maintenance and DPS staff for installation at Public Safety Headquarters. "Duchene II" is an EcoSolution Q carpet which contains 25% recycled content. In addition, both the carpet tiles and backing is 100% recyclable, an important consideration when the carpet is no longer serviceable. EcoSolution Q carpets are recommended by Green Seal, Inc., a non-profit organization known for its promotion of the manufacture, purchase and use of environmentally responsible products and services. Additionally, for a nominal fee (about \$1.00 per square yard) Shaw Industries, Inc., will collect and recycle the existing DPS carpet.

“Duchene II” carpet tiles are available to the City of Sunnyvale through contracts issued by large organizations with much higher purchasing volume than the City’s, including the Association of Educational Purchasing Agencies (AEPA) and the State of California through its Multiple Awards Schedule (CMAS) program. Although the AEPA contract was competitively bid, the CMAS contract, which was negotiated, offers cost savings and is a more environmentally responsible solution for the City.

Under the CMAS contract, the City will receive slightly lower pricing, Shaw will collect and recycle the existing carpet for a fee of \$1.00 per square yard, and the new carpet tiles will be shipped to the job site from the mill in Dalton, Georgia, at no cost to the City. The AEPA contract offers slightly higher pricing and a disposal fee of \$2.00 per square yard for the existing carpet instead of a recycling program. In addition, the City would be responsible for shipping costs which are estimated at \$8,000.

Section 2.08.070(b) of the Sunnyvale Municipal Code allows for exceptions to the competitive bid process in situations where solicitations of bids or proposals would for any reason be impractical, unavailing or impossible. In this case, a Sunnyvale bid solicitation would be unavailing as, due to the State of California’s purchasing volume, the CMAS contract pricing is the lowest available for this product.

#### **FISCAL IMPACT**

Total cost to the City includes:

1. Carpet Tiles (3,000 sq. ft.)	\$71,000
2. Adhesive Mastic	\$4,500
3. Sales Tax	\$6,300
4. Collect and recycle existing carpet	\$3,000
Total cost will not exceed	\$84,800

Since this carpet replacement was planned for and initiated in FY 2005/2006, funds were budgeted in Building Equipment Account No. 021300 for that fiscal year. Most of those funds have not been spent and are available to cover the cost of this project. Budget Modification No. 4 has been prepared to carryover \$84,800 from FY 2005/2006 to FY 2006/2007. The remaining balance in the Building Equipment Account from FY 2005/2006 will be considered during the regular carryover process.

**BUDGET MODIFICATION NO. 4  
FISCAL YEAR 2006/2007**

	<u>Current</u>	<u>Increase (Decrease)</u>	<u>Revised</u>
<b>General Services Fund – Facilities Subfund</b>			
<u>Expenditures:</u>			
021300 - Building Equipment	\$43,661	\$ 84,800	\$128,461
<u>Reserves:</u>			
Equipment Reserve	573,665	(\$84,800)	\$488,865

**RECOMMENDATION**

It is recommended that Council:

1. Award a contract, in substantially the same form as the attached draft Purchase Order and in an amount not to exceed \$84,800, to Shaw Industries, Inc., for the purchase of replacement carpet tiles for Public Safety Headquarters; and
2. Approve Budget Modification No. 4.

Prepared by:

Elaine Wesely  
Purchasing Officer

Reviewed by:

Mary J. Bradley  
Director, Finance

Reviewed by:

David A. Lewis  
Director, Parks and Recreation

Approved by:

Amy Chan  
City Manager

**Attachment**

A. Draft Purchase Order



# CITY OF SUNNYVALE CALIFORNIA

PURCHASE ORDER NO PO001330 Page 1 of 1

<b>ORDERED FROM:</b> 17230 - 001 Phone: (877)502-7429  Shaw Contract Group 410 Old Mill Rd  Cartersville GA 30120	<b>ORDER DATE</b> 07/11/2006	<b>BILL TO:</b>  City of Sunnyvale Finance Department Accounts Payable PO Box 3707 Sunnyvale CA 94088-3707
	<b>DELIVERY DATE</b> 08/25/2006	
	<b>PAYMENT TERMS</b> N/30	
	<b>BID/RFQ NO</b>	

<b>DELIVER TO:</b> P&R/Facilities Management  221 Commercial St Sunnyvale CA 94086  Phone: (408)730-7583	<b>FOB</b>	<b>FREIGHT CHARGES</b>
	<b>DEST</b>	Destination, freight included in price
	<b>REQ. NO</b>	<b>REQUISITIONER</b>
<b>CHARGE/OBJ CODE(S)</b> See Description Below		

ITEM	DESCRIPTION	QTY	UNIT	UNIT PRICE	TOTAL
1	3,000 square feet of 18" x 18" carpet tiles to replace the existing carpet in Public Safety Headquarters, 700 All America Way, Sunnyvale CA 94086  Carpet Company: Shaw Industries Style name: Duchene II EW24 Style Number: 59367 Color Number: 67485 Color Name: Harboursing Desire  Carpet tiles to be provided in accordance with CMAS Contract #GS-27F-0034A.  Installation not included.	1.00	LOT	71000.0000	71000.0000
2	Adhesive Mastic to install carpet tiles described in PO Item 1.	1.00	LT	4500.0000	4500.0000
3	Sales Tax (8.25%)	1.00	LT	6300.0000	6300.0000
4	Collection and recycling of existing carpet.  Purchase Requisition #RQ001287 Requisitioner: Linda Duffley x7761 Vendor Contact: Diane Szabow  All invoices to show this order number.  Awarded by Council 7/25/2006, RTC # _____	1.00	LT	3000.0000	3000.0000

021300 5012 \$84,800.00

**TOTAL** **\$84,800.00**

**BUYER**

Gakle, David

Phone (408)730-7403 Fax (408)730-7710